

RESOLUTION 84-189  
OF THE COUNCIL OF THE CITY OF FORT COLLINS  
EXPRESSING OPPOSITION TO SALES TAX "SIMPLIFICATION"  
LEGISLATION WHICH WOULD ELIMINATE LOCAL CONTROL  
OF THE MUNICIPAL SALES TAX BASE AND LOCAL CONTROL  
OF SALES AND USE TAX ENFORCEMENT

WHEREAS, the City of Fort Collins has a sales and use tax which is levied, collected, and enforced locally; and

WHEREAS, the municipal sales and use tax is the principal tax source for our municipality, raising in 1983 \$12,516,342 in revenue in comparison with only \$2,835,761 raised from the municipal property tax; and

WHEREAS, sales tax simplification legislation recommended by the interim Business Issues Committee for consideration during the 1985 legislative session would require the local sales tax base and definitions to conform with the state base and definitions, centralize enforcement and auditing powers and procedures in the state Department of Revenue, prohibit application of use taxes to storage, and generally reduce local sales and use tax revenues of home rule municipalities; and

WHEREAS, the state base has become unreliable and smaller in recent years through enactment of many exemptions; and

WHEREAS, the City of Fort Collins supports many revisions in the sales and use tax system which will streamline state and local sales and use taxes without major loss of local control or local revenues; and

WHEREAS, the City of Fort Collins estimates that enactment of the bill recommended by the Business Issues Committee could result in a loss of revenue currently and in future years.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT COLLINS:

1. That the Council opposes any sales tax legislation which ties the local sales and use tax to the state tax base with or without local options.
2. That the Council opposes granting the Department of Revenue unilateral authority to determine and control all definitions relating to local sales tax bases.
3. That the Council opposes centralization of auditing, enforcement, and appeals authority in the Department of Revenue.

4. That the Council opposes loss of authority for municipalities to impose use taxes on storage.

5. That the Council opposes efforts to provide tax reductions to special interests through state mandated reductions in local sales and use taxes.

6. That the Council supports legislation drafted by the Colorado Municipal League which would simplify the sales tax system without unduly interfering with local control of the sales and use tax by:

Requiring use of a standardized sales and use tax reporting form for all home rule municipalities which collect their own sales tax;

Providing single audit sales and use tax protection at the option of the taxpayer rather than mandatorily for all taxpayers operating in more than one jurisdiction;

Authorizing statutory municipalities and counties to conduct sales tax audits subject to procedures and requirements established by the Department of Revenue;

Making procedures of home rule municipalities uniform with the state's with respect to various collection and enforcement procedures;

Prohibiting double taxation of sales and use tax transactions;

Accelerating remittance of Department of Revenue collections to those municipalities and counties whose sales taxes are collected by the state;

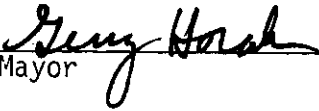
Simplifying taxation of construction and building materials;

Requiring municipalities to provide geographical maps or location guides to retailers; and

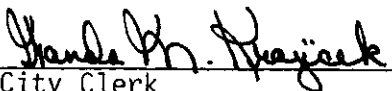
Establishing a task force within state government of state and local officials and business representatives to standardize sales and use tax definitions and otherwise streamline state sales and use tax practices.

BE IT FURTHER RESOLVED that the Council of the City of Fort Collins, a Home Rule city, established pursuant to Article XX of the Constitution of the State of Colorado, urges its senators and representatives to support sales tax simplification legislation as outlined above and vigorously oppose any state legislation which would provide for state control of the local sales and use tax base, centralize enforcement activities in the Department of Revenue, or otherwise result in the loss of local control and local revenues, and support the Colorado Municipal League towards these ends.

Passed and adopted at a regular meeting of the City Council held  
this 15th day of January, A.D. 1985.

  
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Mayor

ATTEST:

  
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City Clerk